

ECHELON PRIME FOUNDATION

EP BULLETIN 2602 - Prime Sinks Burn Rate Adjustment

June 25, 2026

SUMMARY

This Bulletin seeks to bring the community proposal to enhance the economic model of the Echelon PRIME token (PRIME) by adjusting the distribution mechanics of PRIME sinks to a vote by the Emissary Primes (EPs), following positive community sentiment despite the proposal's inability to reach quorum.

Currently, a portion of tokens placed into sinks is returned to the ecosystem through the emissions pool, with smaller portions allocated to the Foundation and burned. Effective immediately, this Bulletin would reallocate PRIME entering Echelon sinks as follows:

- **90% burned**
- **5% allocated to Prime Drives**
- **5% allocated to cached Parasetts**

This change is intended to create a stronger deflationary dynamic for the PRIME token.

The Echelon Prime Foundation will retain oversight of the system and the authority to adjust these rates in the future based on economic assessments and ecosystem needs.

RATIONALE

Increasing the percentage of PRIME permanently removed from circulation through sink activity will tighten the token supply over time. Given there is a significant emissions runway, we believe there is no immediate need to replenish emissions through sink-generated tokens.

This change reinforces scarcity while providing token holders with a clearer value proposition for participating in PRIME sinks. The Foundation will continue to monitor ecosystem health and economic performance, making adjustments as needed to ensure long-term sustainability.

APPROACH

Under this adjustment, 90% of all PRIME entering Echelon sinks will be permanently burned.

The Foundation, as the governing body of the ecosystem, will monitor the impact of this change on token supply, game economies, and overall ecosystem health. Should future economic conditions warrant adjustments, the Foundation may modify the allocation ratios to maintain an appropriate balance between supply contraction and reward sustainability.

The burn will be calculated retroactively to PRIME sink activity dating back to January 1, 2025. Percentages allocated to Prime Drives and Parasets will not be retroactive. This will effectively replace the tapered emissions on Parasets.

TIMELINE

The Foundation will implement this burn rate adjustment immediately. Burns will be executed on a quarterly basis. At each burn event, the Foundation will review ecosystem and economic conditions to determine whether any future adjustments to the allocation ratios are warranted and communicate any changes if deemed necessary.

COSTS

There is no direct financial cost associated with this proposal. The only required resources are the administrative time needed to calculate eligible sunk PRIME and execute the corresponding burns.